



Ultrasonic Flowmeters: The Fastest Growing Market

Pages: 26-30; November, 2001

The ultrasonic flowmeter market will experience strong growth over the next several years. Revenues from ultrasonic flowmeters are projected to increase at an average annual rate of 15.3 percent over the next five years, making ultrasonic the fastest-growing flowmeter. This includes Transit-Time, Doppler and hybrid ultrasonic meters. All of this research has been released from a new market study from Flow Research (Wakefield, MA) and Ducker Worldwide (Bloomfield Hills, MI), *The Market for Ultrasonic Flowmeters Worldwide*.

Total market size for ultrasonic flowmeters worldwide is \$240 million, not including ultrasonic open channel meters.

Growth in Natural Gas

Ultrasonic flowmeters have been growing very rapidly over the past several years, and now they are poised for substantial growth. Probably the single most important factor in the recent growth of ultrasonic flowmeters has been the explosive growth in the market of multi-path ultrasonic meters for custody transfer of natural gas. The initial surge in growth began in 1996 when an association of European natural gas producers (GERG) approved a document laying out criteria for using these instruments to measure natural gas flow for custody transfer. Its publication gave a major boost to the sales of multi-path ultrasonic flowmeters for natural gas in Europe.

After the publication of the GERG document in Europe, ultrasonic suppliers worked with the American Gas Association (AGA) to obtain approval of a similar document in the United States. This resulted in the publication of AGA-9 in June of 1998. AGA-9 lays out criteria for buyers and sellers of natural gas to follow when using ultrasonic flowmeters for custody transfer of natural gas. The publication of AGA-9 resulted in another major increase in the sales of multi-path ultrasonic flowmeters for natural gas. This increase is continuing in 2001.

More Meter Companies

Part of the reason for the growth in ultrasonic meters is the sheer number of suppliers. The ultrasonic flowmeter market is highly fragmented with more than 50 suppliers worldwide. For comparison purposes, there are about 15 suppliers of Coriolis flowmeters worldwide, and about 35 suppliers of magnetic flowmeters. Many of the ultrasonic flowmeter companies are suppliers of clamp-on meters. A number of these companies are niche suppliers who sell mainly to a specific geographic region, or into a particular set of applications.

The number of companies who are getting into the ultrasonic flowmeter market continues to grow. Since 1995, a number of new companies have entered the market. Other companies have decided to extend the application of the ultrasonic flowmeters into new industries. As the ultrasonic flowmeter market continues to grow, it is very likely that more companies will enter this market. However, supplier consolidation is also a likely prospect.

For additional flow research from partners Flow Research and Ducker Worldwide, go to www.flowresearch.com or www.ducker.com